LAND BASED ECOTOURISM
MULTI-DAY HORSEBACK TRAIL RIDING

Prepared for:

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BUILDING BLOCKS FOR ECONOMIC DEVELOPMENT & ANALYSIS

PREFACE

PURPOSE

Building Blocks have been conceived and developed by the Economic Development Branch of the Ministry of Sustainable Resource Management, under the guidance of Nancy South, Manager Economic Analysis, as an analytical tool that supports British Columbia coastal and land and resource use planning and decision-making and economic development initiatives. The Blocks contain concise business and sector information for a broad range of resource-based business types in BC. At this point, there are more than 30 Blocks either complete or in draft form. Several more Blocks have been identified as high priority by planning tables and other client groups. Additional Building Blocks will be developed over time, and some Blocks may be updated. For the most current Building Blocks, please see the Ministry of Sustainable Resource Management website, at: http://srmwww.gov.bc.ca/rmd/ecdev/

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BENEFITS

Building Blocks are expected to provide the following general benefits:

- Increase efficiency and more informed decision-making by providing readily accessible, credible information to planning and economic development processes;
- Improve the consistency of economic information across planning areas;
- Support economic analysis and decision-making that occurs outside formal coastal and land use planning processes; and
- Provide linkages between economic analysis and other social and environmental analytical tools (through identifying resource requirements to support economic activities and general compatibilities with other sectors and values).

LIMITATIONS

Every effort has been made to ensure that the information contained in Building Blocks is accurate and consistent. Approved, credible data sources are the foundation for Building Blocks. All Blocks were reviewed by sponsoring agencies and other experts. However, users are cautioned that information is used at their own risk, and that the authors and sponsors are not liable for any damages. Any conclusions or interpretations by the authors are not intended to represent government policy. Also, note that Building Blocks do not provide site specific information nor do they consider requirements for sustainability (social, community, environmental).

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RECOMMENDED REFERENCE/CITATION

BC Ministry of Sustainable Resource Management, 2003, Building Blocks for Economic Development and Analysis, *[Title of Sector]*. http://srmwww.gov.bc.ca/rmd/ecdev/

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1.0 INTRODUCTION

Nature-based tourism / Ecotourism is defined as travel to relatively undisturbed areas with the specific objective of admiring, studying and enjoying the scenery and its wild plants and animals as well as existing cultural features found in the area.

Ecotourism activities have been sorted into the following categories:

- **Marine Ecotourism**
  - marine cruising including sailing, yacht and power cruising
  - sea kayaking tours

- **Land based Ecotourism**
  - Bicycle Touring/Mountain Biking
  - Hiking/Backpacking/Trekking
  - Horseback Trail Riding
  - Freshwater River Rafting, Canoeing and Kayaking
  - Winter Tourism (Back Country /Tour Skiing, Dog Sledding, Snow Shoeing)

Please refer to the **Marine Ecotourism Overview** and the **Land-based Ecotourism Overview** documents for background information on the Building Blocks, a definition of Ecotourism, the overview of the Ecotourism sector and the bibliography. The Ecotourism Overviews are an integral component of the suit of Ecotourism Building Blocks.

2.0 OVERVIEW

- Includes commercial operators and guides that offer multi day horseback trail rides in B.C. as their primary business activity; includes operators who provide accommodation (e.g., guest ranches, although lodge facilities are not included as part of this analysis; excludes recreationists who take part in these activities on their own.
- It is estimated that there are as many as 200 multi-day horseback trail riding operators in B.C. This includes guest ranches, working ranches, guide outfitters and some multi-activity wilderness lodges.[1]
- Operations range in size from individual operators who provide horses, guides and camping and tack equipment, to full service guest ranches that provide a range of ecotourism activities and packages.
- Multi-day horseback trail riding operations are capital and labour intensive. Given these costs and the limitations of a short operating season, most operators engage in other complementary activities (e.g., guided hunting, ranching, etc) to help offset overhead costs.
- A 1987 British Columbia Guest Ranch study indicated that approximately 25 percent of the operators were full service guest ranches and the remaining 75 percent were "rustic". The same study estimated annual visitor growth rates at 28 percent per for full service guest ranches.

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- Operators offer multi-day horseback trail rides ranging on average from 2 days to 7 days with package prices ranging from $150 to $300 per day per person (including guides, meals, horses and equipment, and some prices include a combination of lodge and camping accommodation).
- Most of the horseback trail riding operations in British Columbia are located in the Cariboo Chilcotin (approximately 40 percent), Northern BC (20 percent), the Thompson Okanagan (approximately 15 percent), the Columbia/Rocky Mountains (approximately 15 percent) and the rest of BC (approximately 10 percent).[2]

3.0 LAND RESOURCE REQUIREMENTS/SENSITIVITIES

- Resource features that support multi-day horseback riding include attractive scenery, destination features such as lakes and alpine meadows, access to the alpine and subalpine and the presence of trails and old roads.
- The best horseback trail riding areas in B.C. are in areas with spectacular natural settings, suitable terrain for multi-day horseback riding, wildlife and nature viewing potential. Regions that appear to be best suited for multi-day horseback riding include the Cariboo-Chilcoltin, the Thompson-Okanagan, the East Kootenays/Rocky Mountains and North Eastern BC.
- There is a potential for conflict between horseback riders and other recreation users (e.g., ATV and other motorized users, mountain bikers and hikers).
- Tourism trends point to major growth in ecotourism and outdoor packages that are set in natural settings and undisturbed wilderness areas. Land and resource management issues that may affect horseback trail riding include:
  - maintenance of wilderness and undisturbed natural settings;
  - protection of wildlife and wildlife habitat;
  - access to trail networks and camping sites;
  - access to grazing resources;
  - ecological and social carrying capacity;
  - appropriate management strategies to address impacts from competing resource use;
  - lack of clarity regarding future tenuring of Crown land for commercial recreation; and
  - unresolved First Nation rights and title issues.

4.0 INVESTMENT REQUIREMENTS

- Capital costs for a trail riding venture would include the cost of horses (approximately $1,500 to $2,500 each), tack, corral, barn, storage for tack and supplies, packing and camping equipment. For a small operation capable of serving up to 8 guests at a time, a minimum of 15 horses would be required (20 horses would be needed to provide for back-up). The minimal capital cost for establishing a small operation (not including land costs and taxes) is estimated at between $150,000 and $200,000.

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- Major operating costs include insurance, feed, labour (wrangler/guide), and hoof/veterinarian care. In addition, operations require marketing and other administration start-up costs such as legal fees, licenses, permits, etc.
- Horseback trail riding operations that are set up in conjunction with a guest ranch or cattle ranch require a much higher investment. A 1989 study of adventure travel in BC indicated that horse/trail operators had an average investment of $510,000.
- Business growth constraints include difficulties in gaining adequate market share, developing a reputation, creating a market niche (product/location), and obtaining affordable liability insurance with adequate coverage for riders.[3] Most operators require that riders sign a personal liability waiver as a means of protecting themselves in the event of an accident.

5.0 INFRASTRUCTURE

- Multi-day horseback trail riding operators require access to trail networks, camping sites and grazing areas[4]. Access to feed and semi-permanent grazing facilities is one of the key limiting factors for multi-day trips. With the growth of backcountry tourism activities some areas are reaching their carrying capacity.
- Operators have expressed the need for a secure land base with long term tenures and increased certainty that the wilderness qualities will be preserved.
- Related infrastructure for horseback trail riding operations includes stables and associated infrastructure for keeping horses.
- Most horseback trail riding operations are connected to either a guest ranch or a working ranch.[5]

6.0 MARKET

- Multi-day horseback trail rides range on average from 2 days to 7 days with the average length of a package being 5 days. Most operators offer custom trips tailored to meet the needs of a group of guests.
- Package prices range from $150 to $300 per day per person (including guides, meals, horses and equipment). Most packages provide fixed roof accommodation for the first and last nights of the trip.
- Horseback riding is the fifth most popular soft adventure activity among US adventure travelers (12 percent) with a market size of approximately 24 million adults.[6]
- Horse trail riding appeals more to a younger market (age 18-34) and has slightly more appeal to males than females.[7]
- Horse trail riding was ranked 9th in importance out of a list of 12 activities for the general consumer and 10th out of 12 for experienced ecotourism travelers in a 1995 market demand report on ecotourism.[8]
- The main season for horseback trail riding extends from mid June to the end of September.

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- Horseback trail riding trips feature a range of activities from wildlife viewing and nature interpretation, to fishing, western heritage and culture and First Nations heritage and culture.
- Horseback trail riding operators consider Alberta, Montana, Washington and Colorado to be major competitive destinations.

7.0 LABOUR MARKET

- Operators require guides with good equestrian, horse packing, outdoor camping and outdoor survival skills. Guides also need leadership and group management skills, ability to interact well with people, ability to convey knowledge in an interesting and informative way.
- Typically a multi-day trip will require one guide and between one and three additional staff (wrangler, cook) depending on the number of guests and the type of trip being offered.
- Wage rates average $200 per day for a guide and $125 per day for wranglers/cooks. Workers typically receive food and lodging, which makes wage comparisons with other industries more difficult. Also, many operations are owner-operated and employ family labour.
- Owner/operators typically play an active role in the operation of the business including marketing, business management, administration, etc.

8.0 CAPACITY

- The major constraints to growth are market related rather than resource related.
- Operators prefer trail networks that are not heavily used by other recreation users. As backcountry recreation/tourism continues to grow in popularity, access to quality trail networks may become more of a limiting factor.
- The development of a high quality multi-day trail network would help to further increase BC's market competitiveness. (Work has been undertaken to promote the development of a regional trail network in the Cariboo Chilcoltin with a proposed route linking the Coast Mountains from southeast Tweedsmuir Park to Big Creek, to Churn Creek Protected Area at the Fraser River, to the Taseko River Basin divide with the Bridge River basin.)[9]

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9.0 REGULATORY REGIME

9.1 Use of Provincial Parks

- Tourism operators using Provincial Parks require Park Use Permits (PUP).

9.2 Use of Crown Lands:

- In 1998, the B.C. government introduced a commercial recreation management program requiring operators to acquire licenses for extensive use of Crown lands.
- The 1998 regulations require outdoor operators to apply for a Licence of Occupation for each area of Crown land they plan to use for more than 14 days in a six month period. Annual fees for a base camp are $500, plus $100 per site for satellite sites (excluding an application fee of $107 per operator). This grants holders the right to occupy a site over any other commercial users, but recreational users continue to have over-riding priority on any site, licensed or not.[10] In some cases, tenure holders may be allowed to build improvements on specific sites, and they may be granted exclusive rights to those improvements.[11]
- The 1998 regulations for the use of crown land sets permitting fees for non-motorized commercial use at $1.00 per client day, with a minimum of $500 per year. The B.C. Government is working with industry to implement the B.C. Commercial Recreation Policy and to encourage operators offering fee-for-service activities on crown land to register tenures.
- The 1998 regulations specify that the issuing of a license requires the completion of a long term management plan and a minimum of $1 million in third party liability insurance.
- If a horseback trail riding operator plans to use public trails, then consent would be required from the responsible agency (e.g. Ministry of Forests).
- Where Crown land is required for the purposes of grazing livestock, then a range lease will be required from the Ministry of Forests.

10.0 GOVERNMENT REVENUES

- Government revenues are generated through corporate and personal income taxes and through Park Use Permits and Licenses of Occupation for Crown lands.
- Operators and guests are also required to pay for fishing licenses when fishing is included as part of touring expeditions.

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11.0 INPUT-OUTPUT TABLE – HORSEBACK TRAIL RIDING

Indicator	1986 Average	Current indictors for a Operation serving up to 8 guests
Number of Operations	59 operators	May be as many as 190 operators in B.C. (Includes guest ranches, guide outfitters, wilderness lodges and working ranches)
Land Resource Requirements	Ranch or staging area, trail network, camping sites	Ranch or staging area, trail network, camping sites, Crown grazing land
Crown Resources Accessed/Used	Trail network and camping sites,	Trail network and camping sites, range use tenures
Product Created	Horse trail riding packages (likely includes multi-day pack trips and single day lodge based operations)	Multi-day horse trail riding packages
Investment	$510,000 per operator (Includes fixed roof accommodation and related guest facilities)	$190,000 as follows: Vehicle/Horse Trailer $50,000 Facilities $50,000 Horses $40,000 Tack/gear $30,000 Trails/sites $10,000 Miscellaneous $10,000 Total: $190,000
Sales	$108,500 (Includes revenue for lodging in addition to multi-day pack trips)	$100,000 (Assumes 500 client days @ $200 per day)
Employment	6 Person Years (PY) of employment per operator $23,700 in wages per operator or $5,300 per PY	Approximately $28,125 (Assumes an average of 2.5 employees per trip at an average wage of $150 per day for 75 days) Owner-operator often works part of the year to plan and market business.
Purchases of goods and services	Not available	Approximately $15,000 in food ($30 per client day) and $4,000 for horse expenses (feed, shoeing, vet); other major expenses include trail maintenance, fencing, etc.

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Indicator	1986 Average	Current indictors for a Operation serving up to 8 guests
Government Revenues		$1,000 to 5,000 per year depending on number of guests and number of trail systems and camping sites used.

Source: 1986 data: The Outdoor Recreation Council of B.C., *Adventure Travel in British Columbia, Summary*, March 1988.

Current indicators: prepared by *Stuart Gale & Associates Ltd.* based on interviews with operators and other documents.

Preliminary Income Statement – Horseback Trail Riding

	Typical Operation (Up to 8 guests per trip)
Revenues	$100,000 500 client days @ $200 per day
Wages (incl. WCB, UIC, etc.)	$28,125 (Average of 2.5 employees earning an average of $150 per day for 75 days)
Marketing, Promotion and Travel	$3,000
Food	$15,000
Horse maintenance	$8,000
Maintenance	$4,000
Transportation (vehicle and gas)	$4,000
Insurance	$ 2,500
Government fees/permits	$3,000
Sub-total Variable Costs	$67,625
Contribution towards Fixed Costs, Debt Interest and Owner	$32,500 (32.5%)

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The main data sources for this building block include:

- Interviews with operators and industry representatives.
- Internet web sites of various commercial operators.
- The ARA Consulting Group, *Williams Lake Forest District Tourism Opportunities Study*, April 2001.
- Drew North Consulting Group, Clover Point Cartographics Ltd., and Ecogistics Consulting, *Forest and Fisheries Tourism Opportunities Study for the 100 Mile and Horsefly Forest Districts of British Columbia*, March 2000
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- MacLaren Plansearch Corp., Tourism Research Corp. and Addison Travel Marketing, *Guest Ranches of British Columbia: Product and Market Analysis*, 1987.
- The Outdoor Recreation Council of British Columbia, *Adventure Travel in British Columbia*, 1988.
- Marilyn Chilsholm and Associates in association with Geoscape, Clover Point Cartographics Ltd., and Insight Research and Consulting, Shuswap *Tourism Opportunity Strategy*, May 2002.

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LIST OF ENDNOTES

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[1] Source: interview with operators.

[2] Source: web search of BC multi-day horseback trail riding operators.

[3] Drew North Consulting Group, Clover Point Cartographics Ltd., and Ecogistics Consulting, 2000, Forest and Fisheries Tourism Opportunities Study for the 100 Mile and Horsefly Forest Districts of British Columbia (p. 20).

[4] Operators may pack in weed-free food pellets.

[5] MacLaren Plansearch Corporation, Tourism Research Corporation, and Addison Travel Marketing, 1987, Guest Ranches of British Columbia: Product and Market Analysis.

[6] The ARA Consulting Group, 2001, Williams Lake Forest District Tourism Opportunity Study (p. 93)

[7] The ARA Consulting Group and HLA Consultants, 1995, Ecotourism – Nature/Adventure/Culture: Alberta and British Columbia Market Demand Assessment, Consumer Telephone Survey, (p. 4-24).

[8] Ibid (p. 3-5)

[9] The ARA Consulting Group, 2001, Williams Lake Forest District Tourism Opportunity Study (p. 97).

[10] B.C. Ministry of Water, Land and Air Protection, wlapwww.gov.bc.ca, 2002; also, Land and Water British Columbia, www.lwbc.bc.ca/for business/commercial recreation, 2002.

[11] Outdoor Recreation Council of B.C., *Examining a Trail Strategy for B.C. from the Demand Perspective*, 2000.

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